

29 April 2024

ASX: CRD

## Quarterly Activities Report for the Period Ending 31 March 2024

### Highlights

Conrad Asia Energy Ltd (ASX: CRD) (the “Company” or “Conrad”), an ASX-listed Asia-focused natural gas exploration and development company, is pleased to provide an overview of activities for the quarter ending 31 March 2024 (“Quarter”, “Reporting Period”).

- Considerable progress has been made in maturing the Mako project in the Duyung production sharing contract (“PSC”) during the Quarter, with key developments including:
  - Conrad advanced the procurement of all major contracts and services with this process ongoing and expected to conclude in Q2 2024, with several tender closing dates extended at the request of potential bidders. Project cost estimates to be further updated (to a  $\pm 10\%$  accuracy) once the procurement process has been completed.
  - The Minister of Energy and Natural Resources approved the Mako export gas price and volume allocation<sup>1</sup>.
  - On 27 March 2024, Conrad and PT Perusahaan Gas Negara Tok (“PGN”) entered into binding key terms for a GSA for the domestic portion of the gas produced from the Mako field<sup>2</sup>. This is part of Conrad’s domestic market obligation (“DMO”) as set out in the Mako’s revised Plan of Development (“POD”). The GSA will be subject to the construction of a pipeline connecting the WNTS to Batam Island, failing which the subject gas will be available for export. The sales volumes under this GSA will represent approximately 29.5% of Mako sales gas volumes until the PSC expires in January 2037. The parties will endeavour to sign a GSA by no later than 31 May 2024.
  - The Sembcorp key terms (announced in Q3 2023) and those now agreed with PGN are important steps towards the Mako development final investment decision (“FID”) targeted for mid-year 2024. Production start-up is targeted for mid 2026, or earlier if possible.
  - Technical and commercial work continued for the West Natuna Transportation System (“WNTS”) Joint Venture and with the support of SKK Migas, to negotiate the commercial and legal terms for access to the WNTS for the transportation of the Mako gas to Singapore.
  - The Duyung farm down process progressed and additional parties expressed an interest in acquiring a participating interest in the PSC, with the Company engaged in confidential discussions.
  - Indicative term-sheets have been received from several potential debt providers to help fund Conrad’s debt funding of Mako project costs. Debt provider selection is continuing with preferred provider to be selected by mid 2Q 2024.
- Key developments in the Offshore North West Aceh (“ONWA”) and Offshore South West Aceh (“OSWA”) PSCs include:
  - Reprocessing of existing ONWA and OSWA 2D seismic data within the PSCs is ongoing. In addition, planning continues for the acquisition of up to 500 km<sup>2</sup> of modern 3D seismic data in each PSC later in 2024, seeking to delineate near field, low-risk drilling opportunities in the shallow-water areas, as well as continuing to evaluate the deep-water prospective targets (lead inventory of c 11 trillion cubic feet (“Tcf”) of recoverable gas, P50, net

<sup>1</sup> Conrad Asia Energy Ltd ASX announcement 23 February 2024.

<sup>2</sup> Conrad Asia Energy Ltd ASX announcement, 28 March 2024

attributable to Conrad)<sup>3</sup>. The appropriate environmental permitting for seismic acquisition will commence during Q2 2024.

- Conclusion of geological fieldwork carried out in adjacent onshore areas with Conrad undertaking petrographic and geochemical analyses of available cuttings and core samples from wells drilled in the PSCs. Analysis has commenced of the data gathered during the fieldwork.
- Memorandum of understanding (“MOU”) with PGN to cooperate in the provision of gas or LNG supply and development infrastructure for gas resources from its ONWA and OSWA PSCs<sup>4</sup>. Under the MOU, the parties will undertake a joint study to examine commercialisation options of the discovered gas resources in the two PSCs and will seek to cooperate in the development and maintenance of possible LNG infrastructure and sales of the LNG.
- Conrad has been approached by potential farm-in partners seeking impactful gas exploration opportunities attracted by recent multi-Tcf discoveries made elsewhere in offshore Aceh. A formal farm-down process for the sales of some of Conrad’s participating interest in the ONWA and OSWA PSCs is now being considered.
- In January 2024, Conrad launched a placement of CDIs over fully paid ordinary shares in the Company raising a total of A\$13 million (before costs) from new and existing institutional professional and sophisticated investors, with approximately 13.7 million new CDIs issued at A\$0.95 per CDI utilising the Company’s placement capacity under ASX Listing Rule 7.1.
- In addition to the placement, in February 2024, Conrad offered a non-underwritten security purchase plan (“SPP”) to existing eligible securityholders to raise approximately A\$2 million, with the SPP and a SPP Shortfall Placement raising an additional A\$2.85 million (before costs).
- Proceeds raised from the placement and SPP will be used to support Aceh exploration studies and seismic data, general project costs and working capital.

**Conrad Managing Director and Chief Executive Officer, Miltos Xynogalas, commented:**

*“The March quarter was a busy period for the Company on many fronts as we continued to advance the commercialisation of our Mako project by addressing numerous, complex commercialisation issues for this strategic international gas project.*

*The front-end engineering design studies for the development project have been concluded and the tendering process for equipment and services is now well advanced. The project Environmental Impact Assessment (“AMDAL” in Indonesia) has now been approved. We are targeting completion of definitive Gas Sales Agreements with gas buyers and the Indonesian petroleum upstream regulator, SKK Migas, by mid-2024. We have also progressed the technical and commercial work with the WNTS Joint Venture to secure access to the pipeline system for the transportation of the Mako gas to market.*

*The Aceh gas project has progressed faster than we anticipated with third-party interest being shown in our existing shallow water discoveries in addition to our high impact gas exploration in the deeper waters. We have seen offshore Aceh increasingly becoming an area of greater exploration focus, with of multi-Tcf discoveries having been announced by international energy companies in other areas of Aceh.*

*During the Quarter, we entered into a MOU with PGN to cooperate in the provision of gas or LNG supply and development infrastructure for gas resources from its ONWA and OSWA PSCs<sup>5</sup>. Conrad holds contingent resources of 161 billion cubic feet (“Bcf”), 2C, net attributable, which represents a major production growth opportunity for Conrad with gas commercialisation*

<sup>3</sup> Conrad Asia Energy Ltd ASX announcement, 16 November 2023

<sup>4</sup> Conrad Asia Energy Ltd ASX announcement, 01 March 2024

<sup>5</sup> Conrad Asia Energy Ltd ASX announcement, 01 March 2024

*options being evaluated. The acquisition of 3D seismic data is planned for later this year and expected to underpin a possible resource update with greater resource certainty as we progress to PODs in the coming months. Conrad has approximately 20,000 km<sup>2</sup> of acreage offshore Aceh and is well positioned to participate in the development of its existing shallow water discoveries and pursue the deeper water high impact exploration where large structures have already been delineated.*

*I would like to thank shareholders for their ongoing support to date as we continue to capitalise on the rapidly expanding gas market through the development of our world class asset portfolio."*

## **Duyung PSC - Mako Gas Field**

**76.5% Participating Interest, Operator**

Conrad holds a 76.5% operated interest in the Duyung PSC via its wholly owned subsidiary West Natuna Exploration Limited. Duyung is located in the Riau Islands Province, Indonesian waters in the West Natuna area, approximately 100 km to the north of Matak Island and about 400 km northeast of Singapore.

Procurement of all major contracts and services is ongoing and is expected to conclude in Q2 2024, however several tender closing dates have been extended at the request of potential bidders. All cost estimates will be further updated (to a  $\pm 10\%$  accuracy) once the procurement process has been completed. An independent third-party cost and schedule review planned for Q2 2024, in support of FID.

Conrad has progressed the technical and commercial work with the WNTS Joint Venture with the support of SKK Migas to conclude access to / reserved capacity in the WNTS for the transportation of the Mako gas to market. On 23 February 2024, Conrad announced that the Minister of Energy and Natural Resources approved the Mako export gas price and gas allocation (export volumes)<sup>6</sup>.

In Q3 2023, the Company signed a non-binding term sheet with Sembcorp, which outlines the key terms and serves as the basis for negotiating a definitive GSA for Mako export gas volumes<sup>7</sup>. Conrad is working with the buyer, SKK Migas, and other government departments to target the finalisation of a binding GSA (with customary conditions precedent) as soon as practicable, prior to the end of Q2 2024.

In line with its DMO, as set out in Mako's revised POD, Conrad has progressed negotiations for the sale of the domestic portion of Mako gas to the national gas company, PGN<sup>8</sup>. Subject to the construction of the pipeline connecting the WNTS with Batam ("Pemping Pipeline"), Conrad intends to sell Mako gas to PGN to satisfy its DMO representing approximately 29.5% of Mako sales gas volumes until the PSC expires in January 2037. The Company has no obligation to construct infrastructure (e.g. pipelines) to allow the delivery of any DMO.

On 27 March 2024, Conrad and PGN entered into binding key terms thereby committing to agree and to sign a GSA for the DMO portion of the gas produced from the Mako field<sup>9</sup>. Under the key terms, the parties will conclude negotiations for and agree in good faith a GSA that will include and be based upon the key terms and will endeavour to sign a GSA by no later than 31 May 2024. The terms are currently confidential.

Any DMO gas not included under this arrangement will be available for Conrad to sell to third parties. Despite the project being mooted for several years, funds for the construction of the Pemping Pipeline have yet to be appropriated, and the project's future remains uncertain.

Discussions for a Duyung farm down are progressing. With the announcement of the abovementioned technical and commercial progress of the project, additional parties having expressed interest in acquiring a participating interest in the Duyung PSC. The Company is currently engaged in confidential discussions with these potential partners.

<sup>6</sup> Conrad Asia Energy Ltd ASX announcement 23 February 2024.

<sup>7</sup> Conrad Asia Energy Ltd ASX Quarterly Activities Report for the Period Ending 30 September 2023.

<sup>8</sup> Conrad Asia Energy Ltd ASX announcement, 28 March 2024.

<sup>9</sup> Conrad Asia Energy Ltd ASX announcement, 28 March 2024.

Conrad has appointed a financial advisor, Capital Partners Group Pte Ltd, to assist with the debt funding portion of its share of the Mako project capital cost. Debt provider selection is continuing with preferred provider to be selected by mid 2Q 2024.

The above are important steps towards the Mako development FID targeted for mid-year 2024.

Production start-up is now targeted for mid-2026, or earlier if practicable, with Mako gas volumes amended accordingly. The Company estimates that Mako field contains 187 Bcf of 2C Contingent Resources, net attributable to Conrad<sup>10</sup>, to the end of the PSC.

## Aceh PSCs

## 100% Participating Interest, Operator

Conrad holds 100% operated interests in both Offshore North West Aceh and Offshore South West Aceh, the two Aceh PSCs awarded to Conrad in January 2023. The blocks together cover approximately 20,000 sq km with each PSC having a 30-year tenure.

Conrad completed independent CPRs covering the discovered biogenic gas resources in the shallow-water areas of the Aceh PSCs. The CPRs estimate a gross (100%) 2C Contingent Resource of 214 Bcf of sales gas (161 Bcf net attributable to Conrad) in three of the four discovered gas accumulations in the two PSCs<sup>11</sup>. The net attributable resource is the commercial resource attributable to Conrad after the government fiscal take. The CPRs for ONWA<sup>12</sup> and OSWA<sup>13</sup> were prepared by THREE60 Energy and ascribed an NPV of US\$88 million net attributable to Conrad to the Aceh PSCs. Conrad has continued to identify and evaluate commercialisation options for the discovered gas resources.

As previously announced by the Company, the two Aceh PSCs also have deep-water potential where several large structures with multi-Tcf potential have been identified<sup>14</sup>. Prospective Resources in the Aceh PSCs are in excess of 15 Tcf of recoverable gas (P50, 100%) of which c 11 Tcf (P50) are net attributable<sup>15</sup> to Conrad<sup>16</sup>. Seismic studies of these structures show gas chimneys and flat spots, providing direct indications for the presence of hydrocarbons.

Reprocessing of the existing 2D seismic data within the PSCs is ongoing. In addition, planning continues for the acquisition of up to 500 sq km of modern 3D seismic data in each PSC later in 2024, seeking to delineate near field, low-risk drilling opportunities in the shallow-water areas as well as continuing to evaluate the deep-water prospective targets (c 15 Tcf of recoverable gas, P50, 100%)<sup>4</sup> with a view to attract partners into this project area. The appropriate environmental permits for seismic acquisition will commence during 2Q 2024 for subsequent submission to the relevant government authorities for approval.

The Company has concluded a programme to acquire additional data from geological fieldwork carried out in adjacent onshore areas, and from petrographic and geochemical analyses of available cuttings and core samples from wells drilled in the PSCs. Analysis has commenced of the data gathered during the fieldwork.

On 29 February 2024, Conrad entered into a MOU with PGN to cooperate in the provision of gas or LNG supply and development infrastructure for gas resources from its ONWA and OSWA PSCs. Under the MOU, the parties will undertake a joint study to examine commercialisation options of the discovered gas resources in the two PSCs. The parties will seek to cooperate in the development and maintenance of possible LNG infrastructure and sales of the LNG. Notably, the MOU will explore a broader cooperation between the two parties.

<sup>10</sup> Conrad Asia Energy Ltd YE 2023 Annual Report, 28 March 2024.

<sup>11</sup> Conrad Asia Energy Ltd ASX announcements on 16 and 18 May 2023.

<sup>12</sup> Executive Summary Competent Person's Report – Meulaboh Discovery, May 15, 2023, THREE60SUBS/INTER/02/2023-010A

<sup>13</sup> Executive Summary Competent Person's Report – Singkil Discovery, May 15, 2023, THREE60SUBS/INTER/02/2023-010B

<sup>14</sup> Conrad Asia Energy Ltd ASX announcements on 16 November 2023.

<sup>15</sup> Net attributable assumes 72% contactor take for gas as set out in the ONWA PSC Agreement. No transfer of 10% participating interest to Local Government Operating Company assumed.

<sup>16</sup> Conrad Asia Energy Ltd ASX announcement on 16 November 2023.

The MOU is an important step towards the commercialisation of the discovered resources in the two PSCs and may become a key component of any future PODs.

Conrad has been approached by potential farm-in partners seeking impactful gas exploration opportunities given recent multi-Tcf discoveries made elsewhere in offshore Aceh. A formal farm-down process for the sales of some of Conrad's participating interest in the two PSCs is now being considered.

## Sustainability

The Government of Indonesia requires environmental permits, including an AMDAL for drilling and construction activities within the country. On the 22 January 2024, the Minister of Environment and Forestry approved the Mako AMDAL that permits future project operations offshore.

An independent third-party project health, safety, security and environmental review ("PHSSER") for the Mako project is targeted for Q2 2024, in support of FID.

Mandatory environmental baseline assessments ("EBAs") have been prepared for the ONWA & OSWA PSCs and are targeted for submission during 2Q 2024. In addition, social risk assessments ("SRAs") have been conducted for the two PSCs, with these two assessments being recommended good practice, not mandatory regulatory requirements.

The appropriate UKL/UPL environmental permits for seismic acquisition in ONWA and OSWA will commence during 2Q 2024 for subsequent submission to the relevant government authorities for approval.

## Petroleum Tenement Holdings

As of 31 March 2024, Conrad's petroleum tenement holdings were:

| Tenement and Location   | Beneficial Interest at<br>31 December 2022 | Beneficial Interest<br>acquired/disposed<br>during 2023 | Beneficial Interest at<br>31 December 2023 |
|---|--|---|--|
| <b>Duyung PSC</b><br><i>West Natuna Basin, Indonesia</i>                        | 76.50%                                     | nil   | 76.50%                                     |
| <b>Offshore Mangkalihat PSC</b><br><i>Tarakan Basin, Indonesia</i>              | 100%                                       | **  | **   |
| <b>Offshore North West Aceh PSC</b><br><i>Offshore Aceh Province, Indonesia</i> | 0%   | 100%  | 100%                                       |
| <b>Offshore South West Aceh PSC</b><br><i>Offshore Aceh Province, Indonesia</i> | 0%   | 100%  | 100%                                       |

\*\* : In the Offshore Mangkalihat PSC, Conrad has been unable to define any sufficiently economically robust / de-risked prospect that would underpin the drilling of a commitment well. As previously reported, a formal process for the relinquishment of the PSC commenced during Q3 2023 with no further work obligation from the Company. The relinquishment process typically takes 6-12 months to conclude.

## Summary Financial Results

The closing cash of Conrad and its subsidiaries and associated entities as at 31 March 2024 was US\$11.22 million.

In accordance with ASX Listing Rule 5.3.4, as the 31 March 2024 quarter was in a period covered by a 'use of funds' statement in the Prospectus, below is a comparison of the Company's actual expenditure to 31 March 2024 against the estimated expenditure in the 'use of funds' statement:

| Use of Funds  | Prospectus<br>US\$ million | Total since IPO<br>US\$ million |
|---|----------------------------|---------------------------------|
| Mako FEED and long lead items (including subsea wellheads and related equipment and structural steel) | 17.4                       | 11.3                            |
| Funds for growth and the evaluation of new assets and associated costs                                | 3.0                        | 3.6                             |
| General and administration costs  | 3.7                        | 5.4                             |
| Repayment of borrowings under shareholder loan  | 5.5                        | 5.9                             |
| Payment of transaction costs associated with the Offer <sup>17</sup>                                  | 2.9                        | 1.7                             |

The use of funds as at 31 March 2024 was within that defined in the Prospectus with the exception of general and administration expenditure, which has exceeded the estimate largely due to expanded operational scope and higher than expected inflation. US\$0.74 million was paid with respect to the development cost in Q1 2024, and payments to related parties in this Quarter amounted to US\$0.43 million.

Payments to related parties, as shown in the accompanying Appendix 5B, were for directors' fees and remuneration.

Financing activities during the March 2024 quarter include:

- Successful completion of an A\$13 million placement at an issue price of A\$0.95 per CDI; and
- Completion of the Security Purchase Plan ("SPP") and SPP Shortfall Placement, raising a further A\$2.85 million.

## Securities

### Chess Depositary Interests ("CDIs")

During the period the Company raised A\$13 million (before costs) through a placement, issuing 13,684,211 CDIs over fully paid ordinary shares in the capital of the Company at an issue price of A\$0.95 per CDI to new and existing institutional and sophisticated investors.

The Company raised a further A\$2.85 million (before costs) through an SPP, issuing 2,425,705 new SPP CDIs and 574,295 SPP Shortfall CDIs at an issue price of A\$0.95 per CDI.

Proceeds raised from the placement and SPP will be used to support Aceh exploration studies and seismic data, general project costs and working capital.

No other securities were issued during the period.

<sup>17</sup> The Offer refers to Conrad's initial public offering on the ASX of CHESS Depositary Interests at the issue price of A\$1.46 pursuant to the Prospectus.

Authorised by the Board.

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**About Conrad and its Projects**

Conrad is an Asia-focused natural gas exploration & production company concentrated on the shallow waters offshore Indonesia, and via its wholly owned subsidiaries, is the holder of several operated tenements in the form of Production Sharing Contracts. The Company's flagship project is the Mako Gas Field located in the Natuna Sea in the shallow offshore waters of Indonesia. Mako lies along a large natural gas pipeline to Singapore, which supplies high-value natural gas into Singapore primarily for electricity generation. The Mako gas field is one of the largest gas discoveries in the region.

The Company specialises in the identification and acquisition of undervalued, overlooked, and/or technically misunderstood gas assets, and has developed expertise in maturing such assets through subsurface technical work, appraisal drilling and an innovative approach to low-cost field development.

The Board and management have a proven track record of value creation and deep industry experience with oil majors, mid-cap E&P and the upstream investment community, together with a successful track record of bringing exploration and development projects into production, with Peter Botten the founder and Chairman of Oil Search adding enormous depth and experience as Chairman of Conrad.

**Forward Looking Statements**

This document has been prepared by Conrad Asia Energy Ltd. This report contains certain statements which may constitute "forward-looking statements". It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including, but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve and resource estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delays or advancements, approvals and cost estimates. The operations and activities are subject to joint venture, regulatory and other approvals and their timing and order may also be affected by weather, availability of equipment and materials and land access arrangements. Although Conrad believes that the expectations raised in this report are reasonable there can be no certainty that the events or operations described in this report will occur in the timeframe or order presented or at all.

There are numerous uncertainties inherent in estimating reserves and resources, and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas reserve engineering and resource assessment must be recognised as a subjective process of estimating subsurface accumulations of oil and gas that cannot be measured in an exact way.

No representation or warranty, expressed or implied, is made by Conrad or any other person that the material contained in this report will be achieved or prove to be correct. Except for statutory liability which cannot be excluded, each of Conrad, its officers, employees and advisers expressly disclaims any responsibility for the accuracy or completeness of the material contained in this report and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence if any information in this report or any error or omission there from. Neither Conrad

nor any other person accepts any responsibility to update any person regarding any inaccuracy, omission or change in information in this report or any other information made available to a person nor any obligation to furnish the person with any further information.

All references to \$ or US\$ are in United States dollars unless stated otherwise.



## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Conrad Asia Energy Ltd

ARBN

Quarter ended ("current quarter")

656 246 678

31 March 2024

| Consolidated statement of cash flows |   | Current quarter<br>\$US'000 | Year to date<br>(3 months)<br>\$US'000 |
|--------------------------------------|---|-----------------------------|--|
| <b>1.</b>                            | <b>Cash flows from operating activities</b>           |                             |  |
| 1.1                                  | Receipts from customers                               | -                           | -                                      |
| 1.2                                  | Payments for  |                             |  |
|                                      | (a) exploration & evaluation                          | -                           | -                                      |
|                                      | (b) development                                       | -                           | -                                      |
|                                      | (c) production  | -                           | -                                      |
|                                      | (d) staff costs                                       | (1,229)                     | (1,229)                                |
|                                      | (e) administration and corporate costs                | (763)                       | (763)                                  |
| 1.3                                  | Dividends received (see note 3)                       | -                           | -                                      |
| 1.4                                  | Interest received                                     | 17                          | 17                                     |
| 1.5                                  | Interest and other costs of finance paid              | (2)                         | (2)                                    |
| 1.6                                  | Income taxes paid                                     | -                           | -                                      |
| 1.7                                  | Government grants and tax incentives                  | -                           | -                                      |
| 1.8                                  | Other   | -                           | -                                      |
| <b>1.9</b>                           | <b>Net cash from / (used in) operating activities</b> | <b>(1,977)</b>              | <b>(1,977)</b>                         |

|           |   |       |       |
|-----------|---|-------|-------|
| <b>2.</b> | <b>Cash flows from investing activities</b> |       |       |
| 2.1       | Payments to acquire or for:                 |       |       |
|           | (a) entities                                | -     | -     |
|           | (b) tenements (bonds paid)                  | -     | -     |
|           | (c) property, plant and equipment           | -     | -     |
|           | (d) exploration & evaluation                | (995) | (995) |
|           | (e) investments                             | -     | -     |
|           | (f) other non-current assets                | -     | -     |

| <b>Consolidated statement of cash flows</b> |   | <b>Current quarter<br/>\$US'000</b> | <b>Year to date<br/>(3 months)<br/>\$US'000</b> |
|---|---|-------------------------------------|---|
| 2.2   | Proceeds from the disposal of:                        |                                     |   |
|   | (a) entities  | -                                   | -   |
|   | (b) tenements   | -                                   | -   |
|   | (c) property, plant and equipment                     | -                                   | -   |
|   | (d) investments                                       | -                                   | -   |
|   | (e) other non-current assets                          | -                                   | -   |
| 2.3   | Cash flows from loans to other entities               | -                                   | -   |
| 2.4   | Dividends received (see note 3)                       | -                                   | -   |
| 2.5   | Other (provide details if material)                   | -                                   | -   |
| <b>2.6</b>                                  | <b>Net cash from / (used in) investing activities</b> | <b>(995)</b>                        | <b>(995)</b>                                    |

|             |   |              |              |
|-------------|---|--------------|--------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>   |              |              |
| 3.1         | Proceeds from issues of equity securities (excluding convertible debt securities)       | 10,337       | 10,337       |
| 3.2         | Proceeds from issue of convertible debt securities                                      | -            | -            |
| 3.3         | Proceeds from exercise of options   | -            | -            |
| 3.4         | Transaction costs related to issues of equity securities or convertible debt securities | (657)        | (657)        |
| 3.5         | Proceeds from borrowings  | -            | -            |
| 3.6         | Repayment of borrowings   | -            | -            |
| 3.7         | Transaction costs related to loans and borrowings                                       | -            | -            |
| 3.8         | Dividends paid  | -            | -            |
| 3.9         | Other (provide details if material)   | -            | -            |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                                   | <b>9,680</b> | <b>9,680</b> |

|           |  |         |         |
|-----------|--|---------|---------|
| <b>4.</b> | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |         |         |
| 4.1       | Cash and cash equivalents at beginning of period                             | 4,511   | 4,511   |
| 4.2       | Net cash from / (used in) operating activities (item 1.9 above)              | (1,977) | (1,977) |
| 4.3       | Net cash from / (used in) investing activities (item 2.6 above)              | (995)   | (995)   |
| 4.4       | Net cash from / (used in) financing activities (item 3.10 above)             | 9,680   | 9,680   |

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows |   | Current quarter<br>\$US'000 | Year to date<br>(3 months)<br>\$US'000 |
|--------------------------------------|---|-----------------------------|--|
| 4.5                                  | Effect of movement in exchange rates on cash held | -                           | -                                      |
| 4.6                                  | <b>Cash and cash equivalents at end of period</b> | <b>11,219</b>               | <b>11,219</b>                          |

| 5.  | Reconciliation of cash and cash equivalents<br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter<br>\$US'000 | Previous quarter<br>\$US'000 |
|-----|--|-----------------------------|------------------------------|
| 5.1 | Bank balances  | 7,219                       | 4,511                        |
| 5.2 | Call deposits  | 4,000                       | -                            |
| 5.3 | Bank overdrafts  | -                           | -                            |
| 5.4 | Other (provide details)  | -                           | -                            |
| 5.5 | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>   | <b>11,219</b>               | <b>4,511</b>                 |

| 6.  | Payments to related parties of the entity and their associates                          | Current quarter<br>\$US'000 |
|-----|---|-----------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 432                         |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | -                           |

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

*The payment consists of Q1 director's remuneration of US\$235.98K, Q1 Director's fee of US\$87.75k. and the Professional fee to director on onetime payment for the work done for the IPO launched – US\$108K..*

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| <b>7. Financing facilities</b><br><i>Note: the term "facility" includes all forms of financing arrangements available to the entity.<br/>Add notes as necessary for an understanding of the sources of finance available to the entity.</i> |   | <b>Total facility amount at quarter end<br/>\$US'000</b> | <b>Amount drawn at quarter end<br/>\$US'000</b> |
|---|---|--|---|
| 7.1   | Loan facilities   | -  | -   |
| 7.2   | Credit standby arrangements   | -  | -   |
| 7.3   | Other (please specify)  | -  | -   |
| 7.4   | <b>Total financing facilities</b>   | -  | -   |
| 7.5   | <b>Unused financing facilities available at quarter end</b>   |  | -   |
| 7.6   | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. |  |   |
|   | N/A   |  |   |

| <b>8. Estimated cash available for future operating activities</b>  | <b>\$US'000</b> |
|---|-----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9)   | (1,977)         |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))  | (995)           |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2)  | (2,972)         |
| 8.4 Cash and cash equivalents at quarter end (item 4.6)   | 11,219          |
| 8.5 Unused finance facilities available at quarter end (item 7.5)   | -               |
| 8.6 Total available funding (item 8.4 + item 8.5)   | 11,219          |
| 8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>   | 3.77            |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> |                 |
| 8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:   |                 |
| 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?   |                 |
| Answer: N/A   |                 |
| 8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?              |                 |
| Answer: N/A   |                 |
| 8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?   |                 |
| Answer: N/A   |                 |
| <i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>  |                 |

*E&E have been reclassified to investing activities for consistency with disclosure in the audited financial reports.*

### **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....29 April 2024.....

Authorised by: .....The Board of Directors.....  
(Name of body or officer authorising release – see note 4)

### **Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.